Import of Liquified natural gas

2889. SHRI V. NARAYANASWA-MY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to the answer to Unstarred Question 661 gi$_v$en in the Rajya Sabha on t'ne 27th February, 1989 and state;

(a) whether the Planning Commis sion opposed the move for import of liquified natural gas to replace coal with natural gas as a source for gene rating power; and

[b) if so, what alternate steps Government are taking to substitute coal to get over e^n«'gy crisis?

THE MINISTER OF STATE OP THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) and (b) The import of LNG requires the setting up of facilities to handle the LNG. No pro-posal for the construction of such facilities has so far been received. The import of LNG will depend upon its fechno-economic feasibility. This can be used in addition to indigenous gag in various sectors, including tlie power sector, in such a manner as to optimise th$_e$ total use of gas.

Permission to M/s Peerless Drive Limited Calcutta for off-shore driH-ing near Bombay High

2890. SHRIMATI BIJOYA CHAK-RAVARTY; Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that M|s Peerless Drive Limited, Calcutta ha? been permitted to take up $_a$ project in collaboration with Government of a foreign country relating to offshore drilling near Bombay High; and

(b) if so. what are the details thereof and th$_e$ circumstances in which permission has £>^{een} accorded by Government *to* a company who-"

basic function is small scale financial investment?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SlHRI BRAHM DUTT); (a) and (b) A foreign collaboration has been approved between M[s Peerless Drive Private Ltd., Calcutta and M[s Rolv Berg Drive A[s, Norway for Off-sKore and sub-sea Maintenance Work in the Petroleum Sector. Mjs Rolv Berg Drive A|s, Norway have worked with ONGC under contract in this field. This collaboration ha$_s$ been approved after taking into consideration all the relevant factors.

Declining cost of the imported crude oil

2891. SHRI KRISHNA KUMAR BIRLA; Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state;

(a) by what percentage the prices of crude oil in the world market came down during the last three years till date, year-wise;

(b) by what percentage the^v"share of imported crude oil was reduced due to increased domestic production during 1986, 1987 and 1988 and by what percentage the oil import bill was reduced as a consequence thereof; and

(c) whether with the increasing domestic production of oil and with the declining cost of the importe3 crude oil, Government propose to reduc$_e$ the prices of petrol, diesel and Kerosene oil, if not, what ar$_e$ the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI BRAHM DUTT): (a) The prices of crude oil *in* the international market were very volatile during the last three years. Moreover, there are various grades of crude having different prices. However, yearly average of spot prices of

some of the actively traded crude oils and percentage increasofdecrease during the last three years is indicated below:

(Figures in $ per bbl.)

	Dubai	% increase/ decrease	Oman	% increase/ decrease	Suez Blend	% increase/ decrease
1986.	12.97	(+)30% (-)22%	13.35	(+)29% (-)21%	12.73	(+)32% (-)23%
1987.	16.92		17.25		16.79	
1988.	13.22		13.57		12.95	

(b) The import of crude oil is made to meet the gap between indigenous production and demand. The domestic production of crude oil, the quantity imported and the value thereof during the Jast hree calendar years are given below:

Quantity: Million tonnes
Value : Rs./crores

Year	Domestic Production of crude oil	Import of crude oil	
		Quantity	Value
1986	31.16	14.48	2070
1987		17.98	3105
		17.71	2811

(c) The prices of petroleum products are not generally revised with changes in the prices of crude oil in the international market. The prices are developed with reference to a system of retention prices of the different refineries.

There is no proposal to reduce the prices of petrol, diesel and kerosene oil.

Projected crude oil production target

2892. SHRI KRISHNA KUMAR BIRLA- Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact thaJT over spending of the planned outlay by the petroleum sector during the Seventh Plan, the projected crude oil production target is not likely to be achieved and that Huge quantifies of natural gas would continue to be flared-

(b) if so, what is the percentage of over spending in the planned outlay for petroleum stctor during the Seventh Plan;

(c) what is the percentage by which the crude oil output is anticipated to fall short of the target stating the reasons therefor;

(d) what is the percentage of the natural gas being flared annually, and

(e) what action has been taken by Government to improve the performance of the petroleum sector'in the country anj also to overcome the